

Article 6 Loan Repayment Program for Advanced Practice Nursing.

Section 34-21-94

Loan repayment program established.

There is hereby created and established the Alabama Loan-Repayment Program for Advanced-Practice Nursing. The program shall be administered by the Alabama Board of Nursing. The Loan Repayment Program shall be funded by direct appropriation from the Education Trust Fund.

(Act 2016-353, §1.)

Section 34-21-95

Definitions.

As used in this article, the following terms shall have the following meanings, respectively, unless the context clearly indicates otherwise:

(1) AREA OF CRITICAL NEED. An area with a critical need for more advanced-practice nurses, as determined by the board.

(2) BOARD. The Alabama Board of Nursing.

(3) PARTICIPANT. Any person who applies for and is awarded a loan as provided in this article.

(4) PROGRAM. The Alabama Loan-Repayment Program for Advanced-Practice Nursing.

(Act 2016-353, §1.)

Section 34-21-96

Awarding of loans and terms of repayment.

(a)(1) The board shall establish and award, according to the judgment of the board, loans to provide for the training of qualified applicants for admission or students in accredited nursing education programs approved by the board who are pursuing, or have completed within the five years immediately preceding the current loan term, a graduate degree to become a certified registered nurse practitioner (CRNP), a certified nurse midwife (CNM), or a certified registered nurse anesthetist (CRNA), but only for people who have signed contracts as provided in subsection (b). The board may permit eligible people to apply for a loan under the Alabama Loan-Repayment Program for Advanced-Practice Nursing in any scholastic year and for any previously completed scholastic year.

(2) The board may award to an eligible person, for as many as three years for a person pursuing or holding an eligible master's degree and as many as four years for a person pursuing or holding an eligible doctorate degree, an annual loan not to exceed fifteen thousand dollars (\$15,000), except that the board in each succeeding year may raise the maximum amount allowed for an annual loan by the average percentage increase for that year, compared to the previous year, in in-state tuition for graduate programs in advanced-practice nursing charged by public colleges or universities in Alabama.

(3) The board shall make a careful and thorough investigation of the ability, character, and qualifications of each applicant for loans under the program, and shall in its judgment award a loan or loans under the requirements of the program.

(4) A person who has signed such a contract with the board may postpone choosing an area of critical need in which to work to a time set by the board.

(b) A loan or loans under this program may be awarded only to people who have signed contracts with the board to repay amounts received under the program by working following graduation, or immediately in the case of a then currently approved CRNP, CNM, or CRNA, in full-time practice as a CRNA, CRNP, or CNM in an area of critical need for 18 months for each year he or she received a loan under the program.

(c) A participant, subject to approval by the board, may change the area of critical need where he or she will work to repay loans under this program, but in no case shall the applicant work in full-time practice for less than three years in the new area of critical need.

(Act 2016-353, p. 864, §1; Act 2019-301, §1.)

Section 34-21-97

Areas of critical need.

An area of critical need shall be an area in Alabama with a critical need, as determined by the board, for advanced-practice nurses, and shall not be a part of, or within five miles of, an urbanized area as defined most recently by the U.S. Census Bureau. The board shall adopt rules under the Administrative Procedure Act to implement this section.

(Act 2016-353, §1.)

Section 34-21-98

Provisions for default or other failure to honor a contract with the board.

(a) In the event that the participant defaults on or otherwise fails to honor a loan-repayment contract with the board for any reason, the individual shall be liable for immediate repayment of the total principal loan amount plus interest at the rate of eight percent, or the prime lending rate, whichever is greater, accruing from the date of default or other failure to honor the contract. In addition, the participant shall pay an additional penalty as specified:

(1) For default or other failure to honor a contract under which a year's worth of loans have been received, a penalty equal to 20 percent of the total principal amount of the loan.

(2) For default or other failure to honor a contract under which two years' worth of loans have been received, a penalty equal to 30 percent of the total principal amount of the loan.

(3) For default or other failure to honor a contract under which three or more years' worth of loans have been received, a penalty equal to 40 percent of the total principal amount of the loan.

(4) If default or other failure to honor a contract occurs after graduation with a graduate degree in advanced-practice nursing but prior to completion of the repayment obligation set forth in Section 34-21-96, a penalty equal to 100 percent of the total principal amount of all loans received by the participant from the program.

(b) The failure of a participant to honor his or her contract with the board or to pay the amount he or she is liable for under this article shall constitute a ground for the revocation of his or her license to practice nursing.

(c) The board may excuse repayment of a loan, in whole or in part, upon the death of a participant, or upon the participant becoming disabled to the extent that he or she is no longer able to engage in the practice of nursing, or upon some other extreme hardship not the fault of the participant.

(Act 2016-353, §1.)

Section 34-21-99

Other requirements and powers of the board.

(a) The board annually shall report on the condition and accomplishments of the program to the Governor, Lieutenant Governor, Speaker of the House, President Pro-Tem of the Senate and the Chairs of the House and Senate Health Committees. The report shall include for the reporting year the locations where participants agreed to serve or where they were serving to repay loans.

(b) The board shall make reasonable rules and regulations to implement and administer the program.

(c) The board shall use any monies it receives from or for the operation of the program, including repayments, interest, and penalties paid because of default or other failure to honor a contract, to fund loans.

(Act 2016-353, §1.)